COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements *AFPD 23-1, Requirements and Stockage of Material*. This instruction provides policy and procedural guidance for the review and coding or annotation of D041 and D062 Non-Stock Fund (NSF) system printouts depicting items in a buy, termination, or excess position. D062 NSF applies to Airmunitions and ICBM items only. This regulation applies to Inventory Management Specialists (IMS) and Requirements Control Officers (RCO) in those directorates involved in determining and managing materiel requirements. These include the Aircraft Directorate (OO-ALC/LA), the F-16 Management Directorate (OO-ALC/LF), the Commodities Directorate (OO-ALC/LI), and the ICBM Systems Program Office (OO-ALC/LM). This publication does not apply to the Air National Guard or United States Air Force Reserve units on Hill AFB.

SUMMARY OF REVISIONS

This revision realigns this publication to the new numbering architecture.

1. GENERAL: The final D041 system printouts and D062 Requirements Data Bank (RDB) Central Secondary Item Stratification (CSIS) NSF data queries from the initial and final cycles will be carefully reviewed and termination items annotated. All actions indicated by the review must be taken promptly. Correct coding of these listings is essential, as they are used to make requirements analyses, and to prepare budget projections and transition statements. The annotated printouts provide a record of the items, and of actions taken by the inventory management specialist (IMS).

2. POLICY: The final products are reviewed and annotated within ten working days after the IMS receives them or as determined by the Stock Fund Management Branch (OO-ALC/FMBS). The following products must be worked quarterly:

2.1. Index of Action by Materiel Management Code (MMC) and federal stock class (FSC) by Termination Value (A-D041.-PQF-CZ-6ZG).

2.2. The RDB Central Secondary Item Stratification (CSIS) Budget Deficit Item Listing (A-D041.-S06).

2.3. Requirement Computation Worksheet (A-D041.-PK2-CZ-XXX) will be coded by termination value to indicate the type of action taken. This action must be approved and signed at the proper levels of management per OO-ALC policy.

2.4. D062 NSF CSIS adjustments; upon notification from OO-ALC/FMBS, the D062 division RCOs in Armament Division (OO-ALC/LIW) and Program Control Division (OO-ALC/LMC) will generate data query listings from the D062 RDB CSIS initial and final cycles. The NSF deficit, termination and excess data queries will be distributed to the IMS. These data queries must be worked for the March and September cycles only.

2.5. Division or team management may establish completion dates for Index of Actions by MMC and FSC by Net Buy Value (A-D041.-PQH-CZ-6ZG), Index of Action by MMC and FSC by Excess Value (A-D041.-PQJ-CZ-6ZG) and Index of Action by Unfunded Purchase Request (PR) or Military Interdepartmental Purchase Request (MIPR) by Manager (Mgr) and national stock number (NSN) (A-D041.-PQL-CZ-6ZG).

3. **PROCEDURES:** The following procedures apply to all budget cycles:

3.1. A-D041.-S06 will be reviewed and annotated.

    3.1.1. If deficit values are correct, no further annotations are required.

    3.1.2. If deficit values are incorrect:

        3.1.2.1. Circle the quantity or dollar values and provide corrected data above the circles figures.

        3.1.2.2. Input D041B action to correct adjustments during RDB D041 CSIS update time period.

3.2. A-D041.-S06 and D062 NSF CSIS data query listing Adjustments will be reviewed and annotated as follows:

    3.2.1. If deficit values are correct, no further annotations are required.

    3.2.2. If deficit values are incorrect:

        3.2.2.1. Circle the quantity or dollar values and provide corrected data above the circled figures.

        3.2.2.2. Identify all value corrections with an appropriate code from the adjustment and reason codes list (Attachment 1).

3.3. Termination indices (A-D041.-PQF-CZ-6ZC) will be coded to record the status and action to be taken. The Uncoded List of Termination's from the Automated Budget Compilation System (ABCS), may be substituted.

    3.3.1. To Code The Index Of Actions:

        3.3.1.1. Enter the appropriate code from the termination code list (Attachment 2) in the right

margin.

3.3.1.2. If applicable, enter the Reduction in Requirements (RIR) log number, erroneous data, corrective action taken, date action was taken, and a brief explanation or justification.

3.3.1.3. Enter the termination code in the right margin for each stock number.

3.3.1.4. If termination code 07 applies, circle the quantity and dollar value. Above the circle figures write in corrected information.

3.3.1.5. Termination code 11 will be used to code uneconomical termination's. This must be followed by a brief explanation or justification of the coding decision.

3.3.2. Termination indices will be reviewed and annotated within ten working days after the IMS receives them, or as determined by OO-ALC/FMBS. The RCO will file maintain termination codes into ABCS. An annotated copy is kept by the IMS, the RCO, and OO-ALC/FMBS.

3.4. Unfunded PR or MIPR (A-DO41.-.PQH-CZ-6ZG) indices will be coded to reflect the correct termination code:

3.4.1. To code the index of actions:

3.4.1.1. Enter appropriate code from the termination code list, if necessary.

3.4.1.2. Code the erroneous data, annotate corrective action taken, date the action was taken, and a brief explanation or justification.

3.4.1.3. Enter data to the left of the cancel or reduce quantity line.

3.4.1.4. If termination code 07 applies, circle the quantity and dollar value. Write in corrected data above the circled figures.

3.4.2. An annotated copy will be kept by the IMS, the RCO and OO-ALC/FMBS.

3.5. At the option of division or team management, excess indices (A-D041.-PQJ-CZ-6ZG) may be coded to indicate current status and action to be taken. An appropriate code from the Excess Codes List (Attachment 3) should be entered to the right of the Procurement Method Code (PMC).

3.5.1. If code "XE" is used, quantity and dollar figures will be circled and the corrected figures entered.

3.5.2. In addition, a code from Attachment 1 should be entered after "XE" to indicate reason for error. Brief explanatory notes should be added for clarification.

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Financial Management Directorate & Comptroller

Attachment 1

ADJUSTMENT AND REASON CODES

The following adjustment and reason codes are to be used for D041 and D062 Non Stock Fund (NSF) deficit adjustment.

NOTE: Error codes will be used when erroneous file maintenance is discovered after receipt of the final computation. Scrub (management) adjustment codes will be used for any changes that cannot be file maintained or changes determined after file maintenance cutoff. Scrub adjustment codes will include prior year and WRSK BLSS phasedown.

	POS ERROR ADJ CODE	POS SCRUB ADJ CODE	WRM ERROR ADJ CODE	WRM SCRUB ADJ CODE
Usage Factors:				
Demand Rate, NRTS,				
NJR Replacement	02A	03A		
Condemnation or Wearout	02A	03A		
Materiel Program Changes:				
Programs, Flying Hours,				
PDM NJR%, Operating, etc.	02B	03B		
QPA, Application, Application %	02B	03B		
Change in ERRC	02B	03B		
Rqmt Duplicated on Master or				
Substitute NSN or Modified on				
MISTR with DPEM funds	02B	03B	02A	03A
Unit Cost	02C	03C	02A	03A
Pipeline Time Adjustments:				
Base Order and Ship Time	02D1	03D2		
Base Repair Cycle Time	02D2	03D2		
Depot Repair Cycle Time	02D3	03D2		
Administrative Lead Time	02D4	03D4		
Production Lead Time	02D3	03D5		

Safety Levels:

Number of Users	02E POS ERROR ADJ CODE	03E POS SCRUB ADJ CODE	WRM ERROR ADJ CODE	WRM SCRUB ADJ CODE
VSL (Base Safety Level)	02E	03E		
VSL (Depot Safety Level)	02E	03E		
Reduced Subsequent Year Levels (AY Entry Only)	None	03F		
Negotiated Levels	02G	03G		
Floating Stock Levels	02H	03H		
Insurance or NSO Levels (Minus adj only)	02I	03I		
Stock Due Out (DOTM)	02J	03J		
Additives (non-Recurring issued):				
AY Period Operating	02K1	03K1		
AY Lead Time	02K2	03K2		
Beyond AY Lead Time (BY)	02K3	03K3		
Beyond BY Lead Time (EY)	02K4	03K4		
On Hands Assets:				
Reclassified to WRM Assets from POS Assets	+02L1	+03L1	+02B1	+03B1
Reclassified from WRM Assets to POS Assets	-02L2	-03L2	+02B2	+03B2
Other (i.e., on-hand assets from another NSN)	02L3	03L3	02B3	03B3
Due In Assets	02M	03M	02A	03A

On Order Assets:

Reclassified to WRM Assets

	POS ERROR ADJ CODE	POS SCRUB ADJ CODE	WRM ERROR ADJ CODE	WRM SCRUB ADJ CODE
from POS Assets	+02N1	+03N1	-02C1	-03C1
Reclassified from WRM Assets				
to POS Assets	-02N2	-03N2	+02C2	+03C2
Other (i.e., prior year funds)	02N3	03N3	02C3	03C3
Uneconomical Buys	None	030	None	03A
Projected Receipt of Assets:				
Reclamation	None	04A	02C3	03C3
ISSP	None	04B	02C3	03C3
Other (i.e., cannibalization of assets from NHA or E1)	None	04C	02C3	03C3
Funded by Another Budget Program:				
Modification	None	06		
Initial Provisioning	None	06		
Other	None	06		

POS Non Obligation Requirement:

Requirement which cannot be

initiated in appropriate FY even

if funds are available. Requirement

should be moved to appropriate FY

for budgeting.

-AY, +BY		07A		
-BY, +EY		07B		
-EY	07C			
WRM Requirements			02A	03A

Attachment 2

TERMINATION CODES

TERMINATION CODES, FIRST TWO DIGITS:

<u>New Code</u>

02	Contract Eligible for Termination
03	PR Eligible for Reduction or Cancellation
04	Termination Action Taken in Prior Review
05	Delivered after Asset Cutoff Date
06	Diverted to other uses after ACO Date
07	Error Adjustments
08	Ineligible for Termination Due to HQ Direction
09	Will not Terminate, Extended Value less than $10,000
10	Will not Terminate, more than Buy Quantity procured
11	Termination or Reduction found uneconomical
12	Will not Terminate, new Weapon System with inclining program
13	Will not Terminate, additional applications anticipated
14	Will not Terminate, awaiting cost data from Contract Administration
15	Will not Terminate, data suspect. Defer one cycle
16	Will not Terminate, item history of fluctuating requirements
17	Will not Terminate, Other
99	(info) Repeat Termination Quantity

TERMINATION CODES, SECOND TWO DIGITS:

    A.   Assets increased or overstated

           1.   On hand

           2.   Due-in (ISSP or reclamation)

           3.   On order (Contract or PR Funded)

    B.   Requirements changes or errors

           1.   Usage factors

           2.   Applications or Programs

           3.   Pipeline Times (Incl ALT and PLT)

           4   Additives or Levels (Incl WRSK/BLSS)

           5.   Insurance or NSO Levels

           6.   Change in Mgt Concept (e.g. D062 to D041)

           7.   Lot, QD, or Life of Type Buys

           8.   Applicable to Initial Spares

           9.   Other

  00   (info) repeat Termination Quantity

NOTE: Code 02 may only be used when termination action has been or is being taken, or reparable assets disposed of in lieu of termination. In cases where the termination decision is pending while awaiting cost information from the Contract Support Division (OO-ALC/PKD), Aircraft Contracting Division (OO-ALC/LAK), Commodities Contracting Division (OO-ALC/LIK), or ICBM Contracting Division (OO-ALC/LMK), Code 14 should be used.

Terminations must be coded with the full four digit ABCS codes plus the 9900 repeat termination quantity as applicable.

Attachment 3
EXCESS CODES

CODES

XE   Excess in error (also indicate reason code from adjustment and reason codes in Attachment 1).

XP   Applicable to aircraft or end item which has phased out or is phasing out. Annotate requirements for other US governmental agencies, MAP, or FMS countries which will be justification for retention.

XR   Retained, excess not in error (indicate full justification for retention).

XS   Disposal scheduled or initiated. No disposal actions will be taken until disposal freeze is lifted or changed, except for items that are obsolete or condition condemned.